

FIG. 1

```

graph TD
    200[200 Receive new supplier quotation] --> 210{210 More expensive than from trusted supplier?}
    210 -- Yes --> 290([290 Place order with old supplier])
    210 -- No --> 220[220 Assemble description of supplied component, what it will be used in, who purchases that, warranty for what it will be used in (terms and duration), implications of quality or inadequate supply problems (including on sales of other products not using the component), who we are, and longest delay acceptable until insurer's quote is received]
    220 --> 230[230 Send RFQ; Get incremental cost from insurance company]
    Note[Quote from Insurer] -.-> 230
    230 --> 240{240 Were willing to insure?}
    240 -- No --> 290
    240 -- Yes --> 250[250 Add insurance cost to new supplier cost to get effective cost]
    250 --> 280{280 Is effective cost cheaper?}
    280 -- No --> 265[265 Notify insurance carrier that insurance will not be used]
    265 --> 290
    280 -- Yes --> 270[270 Pay for active insurance]
    270 --> 280([280 Place order with new supplier])
  
```

FIG. 2

FIG. 2

```

graph TD
    300[Receive RFQ] --> 310[Fetch relevant info needed to make decision and to compute pricing for insurance]
    312[(Info about suppliers)] --> 310
    314[(Info about all current policies written)] --> 310
    316[(Info about org requesting quote)] --> 310
    318[(Info about using supplier input in requester's product or service)] --> 310
    310 --> 320{any missing?}
    320 -- No --> 350{would this policy concentrate our risks too much?}
    320 -- Yes --> 325{RFQ provides time to obtain?}
    325 -- Yes --> 330[Obtain missing info]
    325 -- No --> 340([Return RFQ indicating no interest in insuring])
    330 --> 335[Insert into databases]
    335 --> 310
    350 -- Yes --> 340
    350 -- No --> 360[Calculate probabilities and costs of payout; then calculate the premium price]
    360 --> 370[Update databases]
    370 --> 380[/Return RFQ with price, date by which policy must be confirmed/]
    375[/Response from Insured/] --> 385{Time out}
    385 -- Yes --> 388[Clean up databases (policy won't be issued)]
    385 -- No --> 390{Insured wants policy activated?}
    390 -- Yes --> 392[Update databases; credit payment]
    390 -- No --> 388
    388 --> 395([Finished])
    392 --> 395

```

```

graph TD
    392[392] -- Yes --> 394[Update databases;  
credit payment]
    394 --> 395([395  
Finished])
    395 --> 392

```

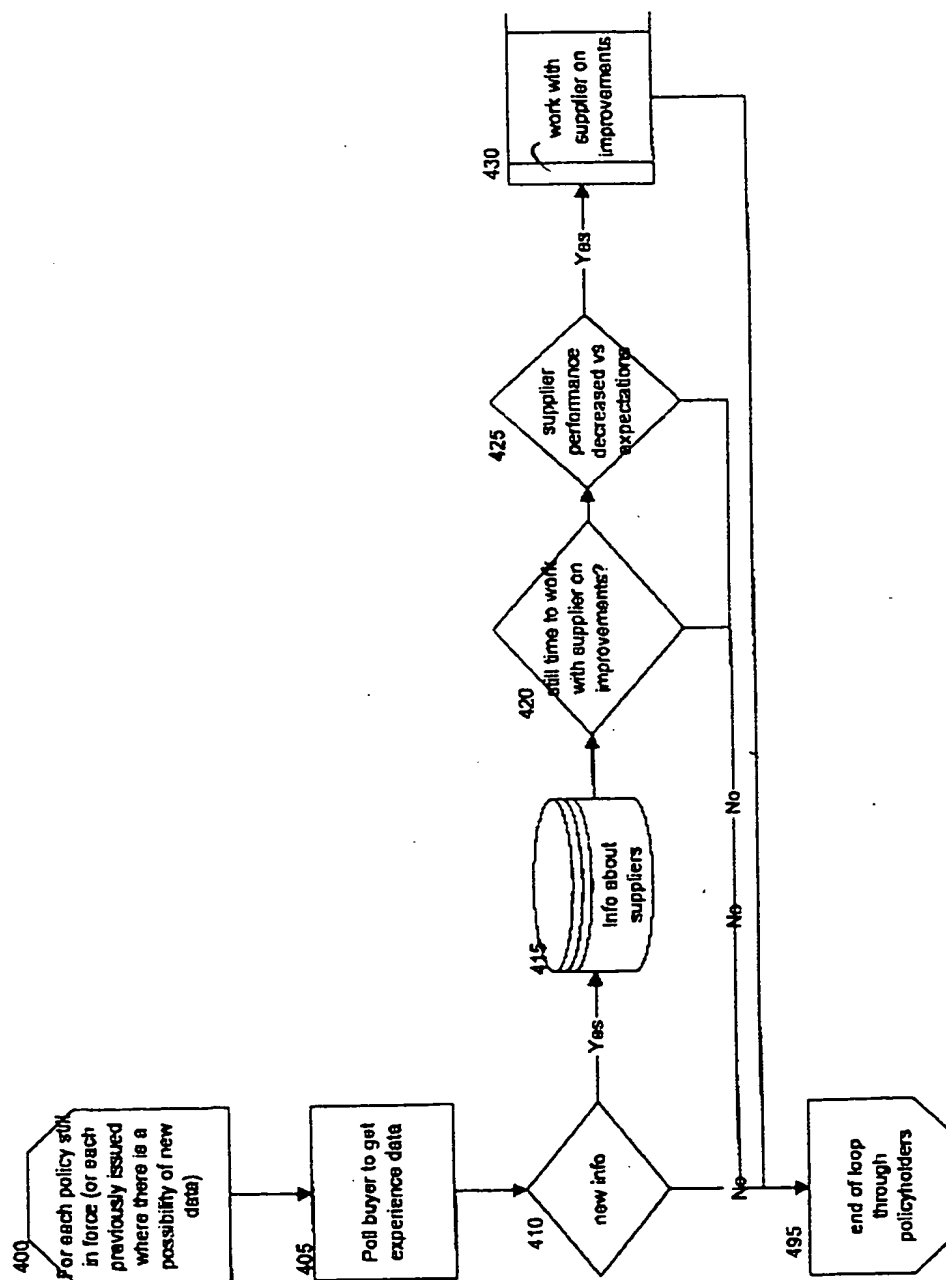


FIG. 4

05/05/2011 11:30

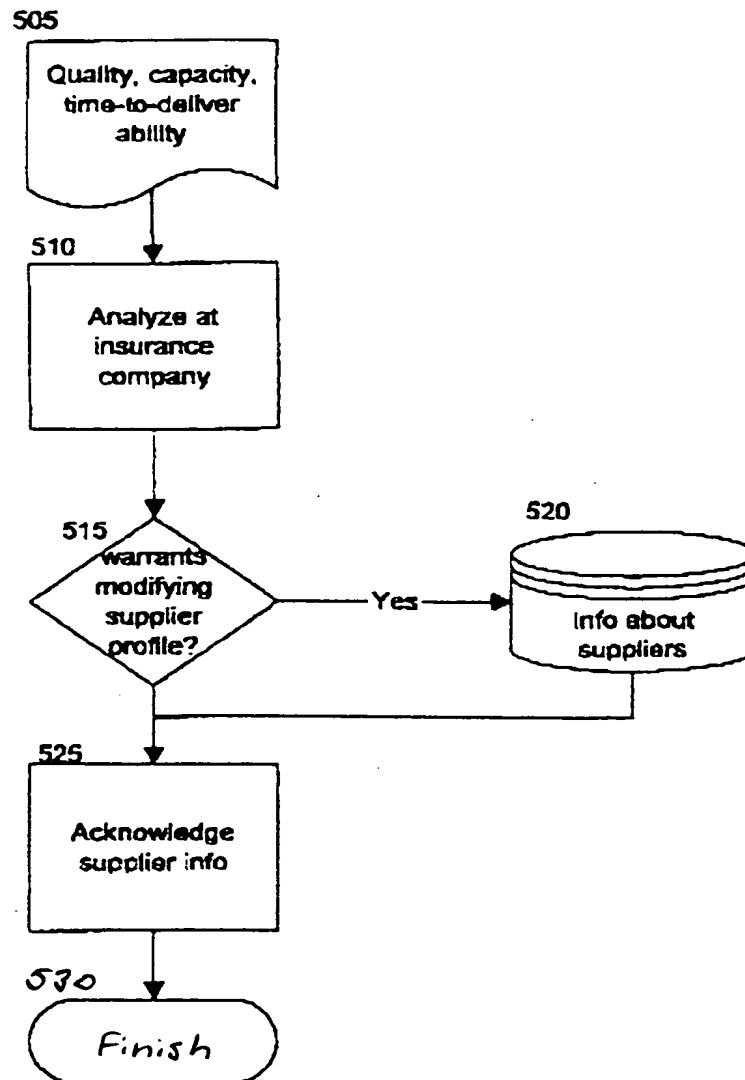
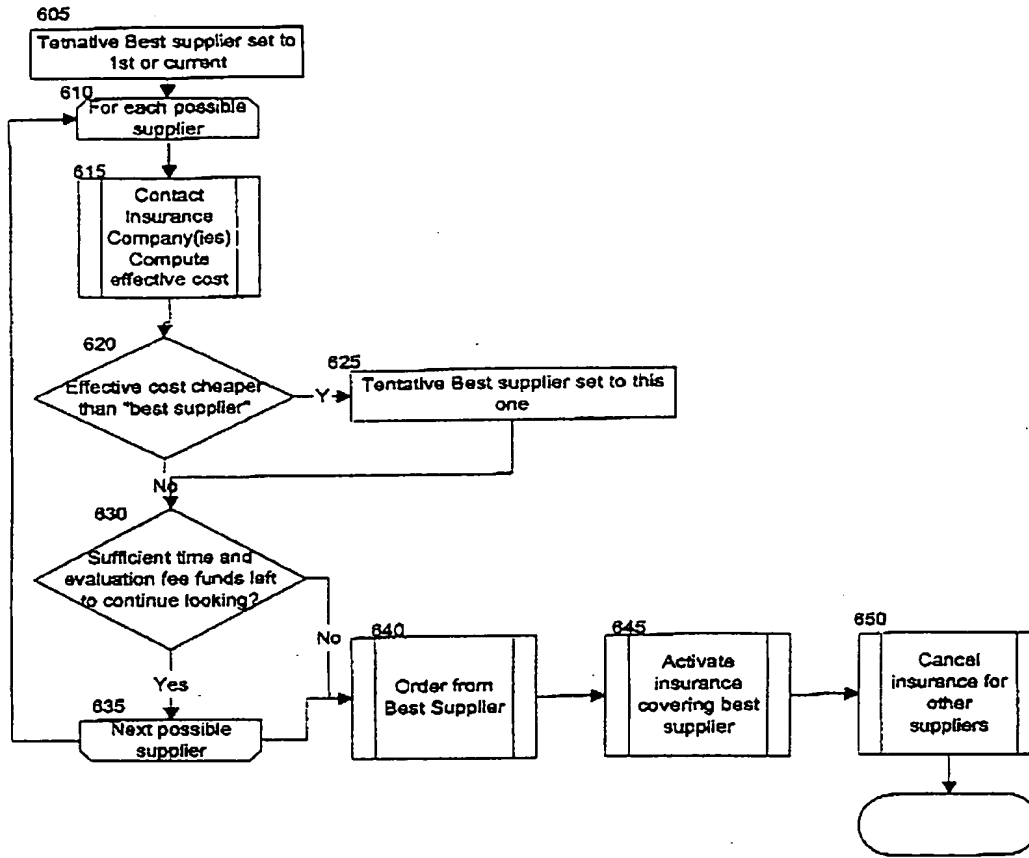


FIG. 5

Chart-6 Buyer selects from multiple suppliers

yor9-2000-0823



09725769 "113000